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RECORDATION NO. 21392 FILED

MAY 11 '98

11-30AM

OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 21392 FILED

MAY 11 '98

11-30AM

RECEIVED
SURFACE TRANSPORTATION
BOARD
MAY 11 11 28 AM '98

May 11, 1998

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are three (3) copies of a Security Agreement, dated as of May 7, 1998, a primary document as defined in the Board's Rules for the Recordation of Documents and three (3) copies of the following secondary document related thereto: Schedule No. 0210-001 to Security Agreement.

The names and addresses of the parties to the enclosed documents are:

Borrower: Pioneer Railroad Equipment Co., Ltd.
1318 S. Johanson Road
Peoria, IL 61607

Secured Party: Lyon Credit Corporation
1266 East Main Street
Stanford, CT 06902

A description of the railroad equipment covered by the enclosed documents is:

two hundred seventeen (217) railcars bearing ALAB reporting marks and road numbers set forth on Schedule A attached to Schedule No. 0210-001.

Mr. Vernon A. Williams
May 11, 1998
Page 2

Also enclosed is a check in the amount of \$52.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return two stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in cursive script, appearing to read 'R. Alvord', written in black ink.

Robert W. Alvord

RWA/bg
Enclosures

SCHEDULE NO. 0210-001 TO SECURITY AGREEMENT

RECORDATION NO. 21392-A

FILED

MAY 11 '98

11-30AM

Exhibit B to

Security Agreement No. 21-00062

Schedule No. 0210-001

Description of Collateral: See Schedule "A" attached hereto and made a part hereof.

Cost of Collateral\$1,331,020.24

Collateral to be located at: 1318 S. Johanson Road, Peoria, IL 61607

Reference is made to that certain Security Agreement No. 21-00062, dated as of May 7 1998 (as it may be modified or amended, now or hereafter, called the "Security Agreement") between Lyon Credit Corporation ("Secured Party") and Pioneer Railroad Equipment Co., Ltd. ("Borrower").

All of the terms and provisions of the Security Agreement are hereby incorporated by reference into and made part of this Schedule to the same extent as if fully set forth herein. Borrower and Secured Party hereby agree to be bound by the terms and provisions, and hereby make, as if made as of the date hereof, the representations and warranties contained in the Security Agreement as each relates to the Collateral described above.

Borrower and Secured Party hereby agree that upon delivery of the Collateral described herein, Borrower has caused an authorized representative of Borrower to inspect the Collateral and the Collateral has been found to be in proper operating order and appearance conforming with the specifications and requirements of Borrower and Borrower confirms that such Collateral secures the Indebtedness by Borrower's acceptance of such Collateral by execution and delivery of a Delivery and Acceptance Certificate in the form annexed hereto as Appendix 1.

IN WITNESS WHEREOF, the parties hereto have executed this Schedule as of the 7 day of May, 1998.

Pioneer Railroad Equipment Co., Ltd.

as Borrower

By: J. Michael Carr - CFO - 5/7/98

Name: J. Michael Carr - CFO

Title: CFO - TREASURER

LYON CREDIT CORPORATION,
as Secured Party

By: Michael J. Carlson

Name: MICHAEL J. CARLSON

Title: AVP

Attest/Witness

By: Kevin L. Williams

Name: KEVIN L. WILLIAMS

Title: ASST. SECRETARY

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Schedule "A"
to Schedule No. 0210-001
to Security Agreement No. 21-00062
dated May 7, 1998

Description of Collateral:

<u>Qty.</u>	<u>Description</u>	<u>"ALAB" Car Number</u>
15	All Door Box Car, built 1974-1977	161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175
1	50 Ft. Box Car, single sliding 10' door, built 1959	1401
2	4000 CF Covered Hopper, built 1965	4000, 4001
6	4,427 CF Covered Hopper, built 1965	5000, 5001, 5002, 5003, 5004, 5005
61	70 Ton Plywood Lined XP Box Car, built 1956-58, rebuilt 1980	5900, 5901, 5902, 5903, 5904, 5905, 5907, 5908, 5909, 5910, 5911, 5912, 5913, 5914, 5915, 5916, 5918, 5919, 5920, 5921, 5922, 5923, 5924, 5925, 5926, 5927, 5928, 5929, 5930, 5931, 5932, 5933, 5934, 5935, 5937, 5938, 5939, 5940, 5941, 5942, 5943, 5944, 5945, 5946, 5947, 5948, 5949, 5950, 5951, 5952, 5953, 5954, 5955, 5956, 5957, 5958, 5961, 5962, 5964, 5965, 5966
24	50 Ft. Insulated Box Car, single plug door, built 1968	8902, 8904, 8909, 8914, 8919, 8923, 8926, 8939, 8940, 8945, 8949, 8951, 8962, 8963, 8964, 8966, 8967, 8974, 8975, 8980, 8985, 8987, 8994, 8995
2	4,600 CF Covered Hopper, built 1980	12579, 12580
3	60 Ft. Double Door Box Car, built 1964	17473, 17489, 25175
1	50 Ft. Single Door Box Car, built 1964	18189
6	60 Ft. Double Door Box Car, built 1966	25042, 25214, 25248, 25249, 25280, 25289
4	60 Ft. Box Car, built 1965	25951, 25952, 25953, 25954
2	60 Ft. Box Car, built 1970	43990, 43994
2	4600 CF Covered Hopper, built 1966	70409, 100246
7	60 Ft. Double Plug Door Box Car, built 1966	125015, 125035, 125109, 125143, 125211, 125218, 125219
21	50 Ft. Single Plug Door Box Car, built 1971-1972	286014, 286037, 286067, 286071, 286102, 286206, 286283, 286285, 286306, 286332, 286351, 286367, 286368, 286381, 286390, 286391, 286423, 286424, 286425, 286438
1	4,428 CF Covered Hopper, built 1965-1967	302406
50	4,427 CF Covered Hopper, built 1964-1967	303304, 303525, 303653, 304498, 304635, 304724, 304960, 305136, 305292, 305737, 305749, 305824, 306049, 306069, 306172, 306377, 306484, 306601, 306668, 306682, 307776, 307812, 307916, 307978, 308164, 308196, 308252, 308393, 308696, 308758, 308969, 308991, 309021, 309036, 309201, 309203, 309317, 309487, 309535, 309721, 311030, 311310, 311417, 311428, 311693, 311794, 312166, 312531, 312726, 312787
6	4,600 CF Covered Hopper, built 1965-1967	311980, 312001, 312004, 312177, 312216, 312289
2	60 Ft. Box Car, built 1966	383152, 383326
1	4,750 CF Covered Hopper, built 1980	483247

Pioneer Railroad Equipment Co., Ltd., ("Borrower")

By: J. Michael Kan Co 5/7/98
Title: (FO - Treasurer)

Lyon Credit Corporation ("Secured Party")

By: [Signature]
Title: AVP

District of Columbia)
)
City of Washington) ss:

I, KIM L. BARTMAN, Notary for the District of Columbia, hereby certify that the attached "Schedule No. 0210-001 to Security Agreement" dated as of May 7, 1998, between Lyon Credit Corporation, as Secured Party, and Pioneer Railroad Equipment Co., Ltd., as Borrower, is a true and complete copy of the original thereof.

Certified this 11th day of May, 1998.



NOTARY PUBLIC

My commission expires: 3-31-2000